

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HENDERSON COUNTY WATER)	
DISTRICT FOR 1) CERTIFICATE OF CONVENIENCE)	
AND NECESSITY; 2) AUTHORIZATION TO)	CASE NO. 91-085
BORROW FUNDS AND TO ISSUE ITS EVIDENCE OF)	
INDEBTEDNESS THEREFORE; AND 3) FOR)	
AUTHORITY TO ADJUST RATES)	

O R D E R

On March 19, 1991, Henderson County Water District ("Henderson District") filed an application with the Commission requesting a Certificate of Public Convenience and Necessity to construct significant improvements in its existing water distribution system including repair and replacement of transmission mains and distribution mains. Henderson District also requested the Commission approve its plan of financing which consists of a loan to be made by the Kentucky Infrastructure Authority ("KIA") in the amount of \$1,000,000 and approval of increased water rates proposed to be charged by Henderson District. By Order of the Commission dated May 1, 1991, Henderson District was required to file certain information related to the hydraulic analyses no later than May 20, 1991. On May 17, 1991, Henderson District, by letter, requested an extension of time until June 7 within which to supply the engineering information requested in the Commission's Order. By Order dated May 21,

1991, the Commission granted Henderson District an extension of time until June 7, 1991 within which to file the information.


KRS 278.300 provides that the Commission shall have 60 days after filing to consider applications for authority to issue or assume securities or evidence of indebtedness unless it is necessary for good cause to continue the application for a longer time than 60 days. In this proceeding, required information concerning the details of the project to be financed by the KIA loan will not be made a part of the record prior to expiration of the 60 day period for review of the financing application. Since the KIA loan commitment is contingent upon regulatory approval for the construction, it would be premature for the Commission to grant authority to incur the indebtedness when no ruling has been made on the construction project.


The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that good cause exists to continue the financing application beyond the 60 day period specified in KRS 278.300(2).


IT IS THEREFORE ORDERED that Henderson District's application for authorization to incur additional indebtedness be and it hereby is continued generally pending a ruling on Henderson District's request for a Certificate of Convenience to Construct.

Done at Frankfort, Kentucky, this 30th day of May, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director